

CHAPTER NO. 61

HOUSE BILL NO. 2022

By Representative Phelan

Substituted for: Senate Bill No. 1985

By Senator Carter

AN ACT to amend Chapter 77 of the Private Acts of 1913, as rewritten by Chapter 253 of the Private Acts of 1978, and all amendatory acts thereto, relative to the Charter of the City of Humboldt, Tennessee.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. The Charter of the City of Humboldt, Tennessee, being Chapter 77 of the Private Acts of 1913, as rewritten by Chapter 253 of the Private Acts of 1978, and all amendatory acts thereto, is hereby amended in its entirety to read as follows:

CHAPTER 1

INCORPORATION

Section 1. Name and Boundaries. The inhabitants residing within the following boundaries, hereinafter set out and defined, are hereby constituted a corporation and a body politic by the name and style of "The City of Humboldt". The boundaries of said city shall be as follows:

Beginning at a point in John Raines Estate land, same being 1,400 feet south of the original southwest corner of the corporate limits of the City of Humboldt, Tennessee, and said point being 1,700 feet south of the center line of Louisville & Nashville Railroad Company where it crosses the west boundary of the City of Humboldt, Tennessee, corporate limits; runs thence east through the lands of Raines, Jones, McLemore and with the north boundary line of Phelan Evans and the south boundary line of the colored cemetery, continuing on through the lands of Evans, Goodrich, Byrd, and to a point southeast of the Colony Club, in all 10,850 feet, said point being 175 feet south of Southern Bell Telephone & Telegraph Company's No. 20 pole on west side of Highway No. 45-W; runs thence north crossing said highway at 250 feet, continuing on through the lands of Mrs. Grace Hamilton with a twin red oak pointer on her north boundary line, same being 65 feet west of L. R. Campbell Estate southeast corner, continuing through the lands of said L. R. Campbell's Estate, crossing Medina Road at 3,570 feet, on through the lands of William S. Chappell, passing on the west edge of his house, and on through the lands of Mitt Hamilton, Carlos Bledsoe, Sam Maupin, passing 20 feet to the east side of Sam Maupin's house on through Oscar Hawks' land 210 feet east of his west boundary line, and through Luther and Annie Hawk's and Milligan's lands to a point 250 feet north of the center line of the Austin Peay Highway in all 9,750 feet, said point being 125 feet west of Milligan's east boundary line; thence west through the lands of Milligan, McDearmon, Senter Heirs, and with the south margin of a gravel road,

crossing the Trenton and Humboldt Highway at 6,150 feet, continuing on through the lands of Frank Stallings, Sr., and Ben P. Hazelwood, said line being 30 feet north of Stallings and Hazelwood's south boundary lines, and through the lands of B. P. Hazelwood and Bonds to a point 100 feet east of the east margin of the Gibson Wells and Humboldt gravel road, and same being 150 feet east of McLeary Blakemore's northeast corner of a 41 acre tract known as the northeast corner of the Hardison 110 acre tract, 10,750 feet in all; thence south on a line 100 feet east of Bonds' west boundary line and with the east margin of a gravel road in front of Slade Stallings' home place 4,930 feet to the north boundary line of A. J. Collinsworth land and the south side of Ethridge Street; thence west 100 feet to the northwest corner of the A. J. Collinsworth tract: thence south with the west boundary lines of Rains and others and the east boundary lines of Lee Matthews, Blakemore, and Evans, crossing the Louisville & Nashville Railroad at 2,950 feet, in all 4,650 feet, to the beginning point.

That the territory included within the above boundaries shall be and constitute the municipal corporation of the City of Humboldt, and as extended and contracted by ordinances of the city passed under the general laws of the state governing annexations and contractions; and as further amended pursuant to the general laws of the State of Tennessee, and any subsequent annexations or detachments of territory made pursuant to law.

CHAPTER 2

MUNICIPAL POWERS GENERALLY

Section 1. Corporate capacity. The City of Humboldt shall have perpetual succession, shall sue and be sued, implead and be impleaded, in all the courts of law, equity and in all actions whatsoever; may purchase, receive, hold, lease, sell and encumber property, real and personal, within or without the corporate limits for public or corporate purposes; and shall have the power to do all acts necessary to the government of the same.

Section 2. General powers. The City of Humboldt shall have full power and authority, acting through its Board of Mayor and Aldermen, to enact such by-laws and ordinances as may be necessary and proper to preserve the health, quiet and good order of the town; and to provide and enforce penalties for the violation thereof. The police authority of the City of Humboldt shall extend to a distance of one mile from the lawful corporate limits thereof, for the suppression of all disorderly acts and practices forbidden by the general laws of the State.

Section 3. Ordinance adoption. All ordinances passed by the Board of Mayor and Aldermen of said city, before becoming effective, shall be passed on two separate readings and at separate meetings; provided, that any ordinance may be passed at regular or called sessions on first or second reading; provided, further, that if passed at a called or special meeting, the purpose of said call to be set out in the call, said call to be in writing and to be entered on the minutes of such call meeting; and provided, further, that all ordinances, before becoming effective, shall be entered on the ordinance book of said city and signed by the Mayor and Secretary of the Board of Aldermen, and shall also be published for one issue in a newspaper in the said city, if there be a newspaper published in said city, and, if not, then to be printed on posters and posted in front of the

city hall of said city. The ordinances of said city, when entered on the ordinance book of said city or codified, may be proved in any of the courts of this State by the introduction of the ordinance book or by the code of ordinance when properly adopted by the Board of Mayor and Aldermen.

Section 4. Ordinances to remain effective. All ordinances of said city now in force under former charters of said city and not inconsistent with this Act shall remain in full force and effect until repealed by ordinance properly passed by the Board of Mayor and Aldermen of the said city.

Section 5. Powers of Taxation. The Board of Mayor and Aldermen is authorized and empowered to fix the tax rate of said city for municipal taxes on all real and personal property within the said city, and to fix the rate of privilege taxes, and to pass such revenue measures as may be necessary and not inconsistent with the laws of the State.

Section 6. Municipal Ownership and Contractual Obligations. The City of Humboldt shall continue to own all of the property-real, personal, or mixed-now owned by the said city, including the streets and alleys of said city, and all public buildings and furnishings and equipment now owned and controlled by said city under the former laws and charters and amendments to charters of said city, and in the same way and manner as heretofore owned and controlled by, said city. The City of Humboldt shall continue all valid contracts now in force made by said city under former laws and charters and in the same way and manner as heretofore.

Section 7. Franchises. The Board of Mayor and Aldermen shall have the power and authority to grant to any person, firm or corporation a franchise, exclusive or otherwise, for the operating of a utility service including but not limited to telephone, telegraph, railway or bus service, and cable television services within the corporate limits of the city and within one mile thereof, under such terms and conditions as the Board of Mayor and Aldermen may deem proper. However, no such franchise shall be granted for a period of more than twenty (20) years. Such franchise shall be granted by ordinance.

Section 8. Condemnation Proceedings. The city shall have the right to condemn real estate within or without the corporate boundaries for building sites, streets, alleys, parks, cemeteries and any and all other public and municipal purposes, but before any property can be condemned and taken by the city it shall be authorized by resolution of the Board of Mayor and Aldermen. The procedure for condemnation and taking shall be as provided by statute for the condemnation and taking of property by the State of Tennessee.

Section 9. Powers not specifically enumerated. The City of Humboldt shall have full power and authority heretofore or hereafter granted to municipalities generally or granted specifically to the City of Humboldt by the General Assembly of the State of Tennessee.

CHAPTER 3

OFFICERS OF THE MUNICIPALITY

Section 1. Composition of Board of Mayor and Aldermen. The city shall be governed by a Board of Mayor and Aldermen. The Board shall consist of a Mayor and

five (5) Aldermen. The Board of Mayor and Aldermen is empowered to pass all ordinances necessary for the government of said city and in the way and manner as hereinafter provided, and to have in charge, the government of the city, and to do and perform all acts necessary and proper for the government of the city not otherwise provided for by this act.

Section 2. Oath. The Mayor of said city before entering upon his duties, shall take and subscribe to an oath to support the Constitution of the United States and of the State of Tennessee, and to faithfully perform all the duties of the said office to the best of his skill and ability, and shall enter into a bond in a sum fixed by the Board of Mayor and Aldermen of Humboldt and conditioned for the faithful performance of his official duties. The Aldermen provided for by this Act, before entering upon their duties, shall take and subscribe to an oath to support the Constitution of the United States and the State of Tennessee, and to faithfully perform the duties of their office to the best of their skill and ability.

The said oaths herein provided shall be taken by any officer authorized to administer oaths in the County of Gibson; provided, the oaths of all officers except the office of Mayor may be administered by the Mayor.

Section 3. Duties of Board of Mayor and Aldermen. The duties of the Board of Mayor and Aldermen shall be to pass all laws and ordinances for the government of the city and to do and perform all acts necessary for the government of the city not otherwise conferred on the other officers and not inconsistent with the laws of the State.

Section 4. Mayor's Duties, Other. The Mayor shall also have the following duties and responsibilities:

(a) Collect all taxes and privileges for the city.

(b) Superintend all work upon the streets and alleys of the city.

(c) Serve as the chief executive officer of the city and preside at meetings of the Board.

(d) Communicate any information needed, and recommend measures the Mayor deems expedient to the Board.

(e) Make temporary appointments of any officer or department head, except that of Alderman, arising from the absence, sickness or disability of any such officer or department head, and shall report such appointment to the Board at its next regular meeting. The Board may confirm or reject the Mayor's temporary appointments, or, at its discretion, make its own temporary appointments. The Board shall make appointments to fill vacancies in office.

(f) Call special meetings of the Board upon adequate notice to the Board and adequate public notice. The Mayor shall state the matters to be considered at the special meeting and the action of the Board shall be limited to those matters submitted.

(g) Countersign checks and drafts drawn upon the treasury by the Treasurer and sign all contracts to which the city is a party.

(h) Make appointments to boards and commissions as authorized by law with Board approval.

(i) The Mayor shall notify the Vice Mayor if he intends to be out of the city in excess of seventy-two (72) consecutive hours.

(j) Unless otherwise designated by the Board by ordinance, the Mayor shall perform the following duties or may designate a department head or department heads to perform any of the following duties:

(1) Make recommendations to the Board for improving the quality and quantity of public services to be rendered by the officers and employees of the city.

(2) Keep the Board fully advised as to the conditions and needs of the city.

(3) Report to the Board the condition of all property, real and personal, owned by the city and recommend repairs or replacements as needed.

(4) Recommend to the Board and suggest the priority of programs or projects involving public works or public improvements that should be undertaken by the city.

(5) Recommend specific personnel positions, as may be required for the needs and operations of the city, and propose personnel policies and procedures for approval of the board.

(k) With the consent and approval of the Board of Mayor and Aldermen, employ, promote, discipline, suspend and discharge all employees and department heads, in accordance with personnel policies and procedures, if any, adopted by the Board. Nothing in this charter shall be construed as granting a property interest to employees or department heads in their continued employment.

(l) Act as purchasing agent for the city in the purchase of all materials, supplies, and equipment for the proper conduct of the city's business; provided, that all purchases shall be made in accordance with policies, practices and procedures established by the Board.

(m) Along with the Board of Mayor and Aldermen serving on the Budget Committee, prepare and submit a proposed annual budget and capital program to the Board for adoption by ordinance.

(n) Such other duties as may be designated or required by the Board.

Section 5. Report by Mayor. The Mayor shall make a monthly report to the Board of Mayor and Aldermen of all receipts of the city and all disbursements.

Section 6. Board Action and Meeting Time. The Mayor of the city shall not have a vote except in case of a tie vote, but shall be presiding officer of the Board at its meetings. Three (3) Aldermen and the Mayor, or Vice-Mayor, shall constitute a quorum for the transaction of all business of the Board. The Board of Mayor and Aldermen shall meet twice per month in regular sessions, on the second and last Mondays of the month, and shall also meet upon the call of the Mayor, and Vice-Mayor in the absence of the Mayor, made in writing and served upon each member of the Board of Mayor and Aldermen or by resolution of the Board. If any member of the Board of Mayor and Aldermen should be absent from the city, service of notice of an extra or called meeting upon three (3) Aldermen of the Board shall be sufficient. A majority vote of the Board of Mayor and Aldermen voting shall be necessary for the passage of ordinances, resolutions and motions or any other action of the Board. Voting shall mean either voting yea or nay and shall not include an abstention.

Section 7. Secretary of Board. At the first meeting of the new Board of Mayor and Aldermen after each election the Aldermen shall elect one of themselves as Secretary.

The Mayor's Secretary or other designee shall take and write the minutes of the meetings of the Board and enter all Ordinances and Resolutions in Ordinance and Resolution books. Once entered, the Mayor and Secretary of the Board shall sign and attest to them.

Section 8. City Treasurer. In addition to the officers for said corporation hereinbefore set out, there shall be elected by the Board of Mayor and Aldermen a City Treasurer; the said City Treasurer to be elected for a term of two (2) years and to be elected by the incoming Board of Mayor and Aldermen at their first meeting after taking office. The duties of the said City Treasurer shall be to receive all funds of said city collected for municipal purposes and from the various sources, to pay out said funds upon the request of the Mayor of said city when signed by any two (2) of the following: the Mayor, the Secretary of the Board of Mayor and Aldermen or the City Clerk; all disbursements shall require two (2) signatures on all checks, such signatories limited to the Mayor, the City Treasurer, or the Secretary to the Board; the said City Treasurer to keep a correct record of all funds received by him, and also all disbursements of same made by him; the said City Treasurer to execute a bond to the said city in such sum as the city, by its Board of Mayor and Aldermen may require, conditioned for the faithful performance of his duties as said City Treasurer and for the faithful handling of the funds coming into his hands belonging to said city.

Section 9. City Attorney. The City Attorney shall be elected by the incumbent Board of Mayor and Aldermen for a term not to exceed the term of the incumbent Board of Mayor and Aldermen, and they shall fix a retainer fee to be paid monthly as other expenses of said city are paid, and shall also pay said City Attorney such other reasonable fees for services rendered as they deem proper.

Section 10. Chief of Police. The Chief of Police shall be appointed by the incoming Board of Mayor and Aldermen for a term not exceeding two (2) years, to be

subject to removal by a majority vote of the Board at any time for inefficiency, neglect of duty, or for any other good cause shown.

The Chief of Police of the city shall have direct supervision of the police force of the city, subject, however, to the direction of the Board of Mayor and Aldermen of the city.

Section 11. Policemen. The Board of Mayor and Aldermen may also provide for the appointment of such policemen for said city as the said city Board of Mayor and Aldermen may deem necessary. The additional policemen provided for by this section shall be subject to the direction of the Chief of Police of said city; provided, however, that said policemen and said Chief of Police shall be subject to the direction of the Board of Mayor and Aldermen.

Section 12. City Clerk. The Board of Mayor and Aldermen may elect a City Clerk for the city and fix the compensation of such clerk. The clerk shall serve at the will of the Board of Mayor and Aldermen, and shall do and perform such duties as the Mayor and Board of Mayor and Aldermen may from time to time designate and direct.

Section 13. City Judge. The Board of Mayor and Aldermen shall elect an attorney as City Judge and fix the salary therefor. The City Judge shall be elected by the incumbent Board of Mayor and Aldermen for a term not to exceed the term of the incumbent Board. In the event of the death, resignation, disability, absence or refusal to act as the City Judge, the Board of Mayor and Aldermen shall appoint another attorney to act as City Judge of the municipal court. The City Judge shall try all persons accused of the violation of the law and ordinances of the city, and is authorized and empowered to enforce the attendance of witnesses by subpoenas issued from the court and is empowered to do and perform all the duties of the police court for the municipality and to assess civil penalties and collect the same, and issue all orders and process necessary to the enforcement of the judgments of the court.

Section 14. Clerk of the Court. The City Judge of the City Court shall appoint a Clerk of the Court. The Clerk and the City Judge are authorized to issue warrants, subpoenas, and other process for the orderly conduct of the court and to tax the issuance of such processes as a part of the costs of each case. The cost shall be as from time to time are fixed by the Board of Mayor and Aldermen by resolution.

Section 15. Compensation.

(a) Mayor. The Mayor of the City of Humboldt shall be paid a salary of thirty-three thousand dollars (\$33,000) per year beginning January, 1992. The Mayor's salary shall automatically increase One Thousand Dollars (\$1,000) each year until the Mayor's salary reaches Thirty-Eight Thousand Dollars (\$38,000) which shall become the annual salary of the Mayor of the City of Humboldt. Additionally, the Mayor shall receive a monthly car allowance as periodically determined by the Board of Mayor and Aldermen, except that such monthly car allowance shall not be less than Six Hundred Dollars (\$600.00).

(b) Aldermen. The Aldermen of the City of Humboldt shall receive Three Hundred Dollars (\$300) per month. Such salary shall not take effect until the beginning of the next term of each Alderman.

(c) Secretary of the Board of Mayor and Aldermen. The Secretary of the Board of Mayor and Aldermen shall receive a salary of Three Hundred Fifty Dollars (\$350) per year beginning January, 1992 and in addition thereto, shall receive as do other Aldermen, Three Hundred Dollars (\$300) per month beginning January, 1992.

Section 16. Other Employees and Compensation. The Mayor of the City of Humboldt shall, subject to the approval of the Board of Mayor and Aldermen, employ such office assistants or clerks as may be necessary for the proper and efficient administration of the business of the city. The compensation of such employees shall be fixed or approved by the Board of Mayor and Aldermen.

Section 17. The City Treasurer shall, prior to taking office, take the same oath as herein provided for the Mayor, and shall enter into a bond in the minimum amount of Fifty Thousand Dollars (\$50,000); however, the Board of Mayor and Aldermen may by resolution require a higher amount. All other officers, officials, and employees of the city who handle city funds shall be bonded in the amount set by resolution of the Board of Mayor and Aldermen.

Section 18. Records and Reports.

(a) City Treasurer. The City Treasurer provided for in this act shall make a monthly report to the Board of Mayor and Aldermen of said city, setting forth a full financial statement of the affairs of said city. The City Treasurer shall keep the several separate accounts of the said city in a way and manner so as to show how the funds of the city have been expended, and shall keep all checks drawn on him properly filed as a part of the records of said city. It shall be the duty of the City Treasurer to keep records of all checks and attached purchase orders, check requests and invoices or other supporting documents.

(b) Secretary of Board. It shall be the duty of the Secretary of the Board of Mayor and Aldermen to review those expenditure records of the City Treasurer as enumerated in Section 18(a) of this charter. The Secretary of the Board of Mayor and Aldermen and the Mayor of said city shall publish in a newspaper, published in the county, an annual statement showing the financial condition of said city.

Section 19. The regular election date of the city shall be the first Tuesday of November in every other odd-numbered year, beginning in 1997. On the first Tuesday in November, 1997, and each and every four (4) years thereafter, the Mayor and Aldermen shall be elected for terms of four (4) years, and shall take office on the first day of January following their election, except that such officers shall take office on January 2 in those years when the first day of January is a Sunday.

Section 20. City Divided Into Wards. For the purposes of electing Aldermen, the city shall be divided into five (5) wards corresponding to the five (5) voting precincts of the city. One (1) Alderman shall be elected from each ward.

Section 21. Qualifications. The qualified voters residing in each ward shall only vote for the candidates from their ward and shall not vote for candidates in other wards.

The Mayor and Aldermen and any candidate for such offices shall be a resident of and domiciled in the city; and in the case of Aldermen, they shall be residents of and domiciled in the ward they represent. Any member of the Board who moves his residence of domicile away from the ward in which he or she was elected shall result in forfeiture of the office, which shall be immediate.

Non-residents of Humboldt who own legal title to real property located inside the city limits and which is listed on the city tax rolls shall be qualified to vote in municipal elections, if such property owners reside in the State of Tennessee. Such non-residents shall vote in the ward or precinct where their real property is located, and if they own real property in more than one ward or precinct, they shall choose and vote in only one ward or precinct.

Section 22. Election Runoff. In any election for Mayor or Aldermen, if no candidate receives a majority of the votes in such election, there shall be held a runoff election on the third Tuesday in December after such election. The two candidates receiving the highest number of votes in the regular election shall be candidates in any such runoff election.

Section 23. Conduct Of Elections. In all municipal elections held for the purpose of electing city officials or for any other municipal purposes, the poll shall be open at such times and places as set by the County Election Commission and requested by resolution of the Board of Mayor and Aldermen, but in no event shall the polls be open for a period of less than ten (10) consecutive hours.

Section 24. Vacancies. In case of the absence or a temporary vacancy in the office of Mayor by sickness or otherwise, where such temporary vacancy does not extend beyond sixty (60) days, or for a period not exceeding sixty (60) days following a permanent vacancy in the office of the Mayor, by death, resignation, or otherwise, and pending the election by the Board of Mayor and Aldermen by a special election of a new Mayor as hereinafter provided, the Secretary of the Board of Mayor and Aldermen shall for such time become Vice-Mayor and shall be vested with all the rights, duties and authority of the Mayor, except that the Vice-Mayor shall also have the right to vote. In the event of a permanent vacancy in the office of the Mayor by reason of death, resignation, or otherwise, within twelve (12) months of the expiration of the term of office, the Board of Mayor and Aldermen shall elect a person to fill the unexpired term who may or may not be a member of the Board of Mayor and Aldermen. Such election shall be by a majority vote of the members of the Board of Mayor and Aldermen. In the event of a permanent vacancy in the office of Mayor by death, resignation, or otherwise, more than twelve (12) months before the expiration of the term, or when there is a tie vote in the election of the Mayor, such vacancy shall be filled by a special election to be called immediately by the Board of Mayor and Aldermen, by ordinance or resolution, and which election shall be held according to the laws governing any other municipal election, according to the general election laws of the state.

In the event of a vacancy in the office of a member of the Board of Mayor and Aldermen, at any time within the term, by death, resignation or otherwise, the remaining members of the Board of Mayor and Aldermen shall elect a person to fill the unexpired term. Such election shall be by majority vote of the Board. In the event of a tie vote the Mayor may cast the deciding ballot.

Section 25. Termination date of present city officials. All of the present officers of said city shall hold their respective offices until their present terms expire or until their successors are elected and qualified.

CHAPTER 4

SPECIAL BOARDS & DEPARTMENTS

Section 1. Board of Education.

(a) In accordance with Tennessee Code Annotated, Section 49-2-201, the public school system of the city shall be administered by a board of education consisting of five (5) members, one (1) each of whom shall be residents of, and elected from, five (5) districts of substantially equal population as established by resolution of the Board of Mayor and Aldermen. In order to establish staggered terms of office in accordance with Tennessee Code Annotated, Section 49-2-201(a)(1), in the first election held under that statute in November, 1993, the members elected from districts two (2) and four (4) shall be elected for a term of two (2) years, and the members elected from districts one (1), three (3), and five (5) shall be elected for a term of four (4) years. In the election held in November, 1995, and each and every two (2) years thereafter, school board members shall be elected for a term of four (4) years.

(b) If no candidate in a district receives a majority of votes in any election for the board of education, a runoff election shall be held between the two (2) candidates receiving the highest number of votes at the same time and in the same manner prescribed in Chapter 3, Section 22 of the City Charter.

(c) Members of the board of education shall be registered voters in the county and in the city.

Section 2. Park Commission composition and terms. The Board of Mayor and Aldermen of the City of Humboldt, shall be and are empowered to elect or appoint a Park Commission for the City of Humboldt. The Commission shall be composed of seven (7) members, one (1) of whom shall be appointed by the Mayor from the membership of the Board of Mayor and Aldermen of the city, and the other six (6) members shall be appointed by the Board of Mayor and Aldermen of the city. The terms of members of the Board of Park Commissioners, except for the member appointed from the membership of the Board of Mayor and Aldermen, whose term shall be no longer than his term as a member of the Board of Mayor and Aldermen, shall be for a term of five (5) years. However, the present members of the present Park Commission shall serve until the first Monday in January of the third year after their appointments, where-upon their successors shall be elected for a five (5) year term from that date.

It shall be the duty of each succeeding Board of Mayor and Aldermen of said city at the first regular meeting after their election and qualification to appoint the three (3) members composed as aforesaid as Park Commissioners are above set forth, and with the same qualifications.

Section 3. Duties of Park Commission. The duties of said Park Commission shall be to have general supervision and control of any present or future parks and public ground belonging to said city, including the grass plats along streets of the said city; and shall have full authority and power for the beautifying and improvement of any such park or parkways and grass plats in said city. Provided, however, that said Park Commission cannot purchase property or incur debts of any kind or character without the approval of said Board of Mayor and Aldermen of said city.

Section 4. Public Library and Library Board. There is hereby established a City Public Library pursuant to Tennessee Code Annotated, Section 10-3-101, et seq., such library to be known as the City of Humboldt Public Library. The operation of this library shall be exclusively in the library board, such board to be composed of seven (7) members, the seven (7) members to be appointed as hereinafter set forth by the Board of Mayor and Aldermen. The library and the library board shall commence operation September 1, 1973, and the terms of the first members of the library board shall commence September 1, 1973. The members of the library board and their successors shall serve without salary. The terms, of the first members of the library board shall be three (3) members serving one (1) year, two (2) members serving two (2) years, and two (2) members serving three (3) years. After the original terms of each member, all successors shall serve for a term of three (3) years. Not more than five (5) members constituting the library board shall be of the same sex.

Section 5. There is hereby created a Board of Public Utilities for the operation of the electric, natural gas and water and sewer utilities of the city. Said Board shall be appointed and shall have the powers and duties authorized by Tennessee Code Annotated, Title 7, Chapter 52, as such chapter may be amended.

CHAPTER 5

FISCAL AFFAIRS

Section 1. Corporate indebtedness. All of the indebtedness of said City, including the bonded indebtedness of said city heretofore contracted under the former charters and amendments to charters of said city, shall continue to be a just and binding obligation upon the City of Humboldt according to the provisions thereof.

Section 2. Delinquent taxes. The Board of Mayor and Aldermen shall enforce the payment of delinquent taxes as now provided by charter.

Section 3. Borrowing monies. The Board of Mayor and Aldermen of the City of Humboldt is authorized and empowered to borrow money and to execute the notes of the city for the same to run not longer than five (5) years from the date thereof, and to draw interest at a rate not to exceed the maximum contractual rate authorized by State law for individual or corporate borrowing; to be used for the purpose of paying any outstanding floating indebtedness of said city, and overdraft accounts, and outstanding notes as the same become due, and said notes when authorized by the Board of Mayor and Aldermen by resolution to be executed by the Mayor of said city and the Secretary of the Board of Mayor and Aldermen of said city.

Section 4. Issuance of notes. The authority to issue notes under this Act shall be continuing and the full faith and credit of the City of Humboldt may be pledged to the

payment of the notes, and interest thereon, that may be issued from time to time under the authority of this Act, and the Board of Mayor and Aldermen shall levy and collect, in addition to all other taxes required, a tax sufficient to pay the interest on said notes and the principal as the same mature; in accordance with the provisions of general law, no notes issued under the authority of this Act shall be subject to taxation by the State of Tennessee or by any county or municipality thereof; notes under this Act may be issued without regard to any debt limit or assessed valuation of property.

Section 5. Assessments. All taxes levied on real and personal property shall become due and payable on October 1st of the year for which they are assessed, and shall be paid on or before the first day of March of the year following the year for which they are assessed.

Section 6. Report on delinquencies. Taxes for municipal purposes not paid by March 1st of the year following the year for which they are assessed shall become delinquent, and it shall be the duty of the Mayor to make a report to the Board of Mayor and Aldermen of all delinquent taxes by May 1st of said year. Said report to set forth fully a list and description of property on which the taxes are delinquent, with the respective names of the owners thereof. Said report shall be prima facie evidence that said taxes reported in said report as delinquent are delinquent.

Section 7. Recovery of delinquent taxes. The Board of Mayor and Aldermen may then institute a suit to recover the delinquent taxes against the delinquents in the Chancery Court at Humboldt, Tennessee, and may join as many as twenty (20) delinquent defendants in one complaint, the said suit to be conducted in the same way and manner as other causes in Chancery. The certified report of list of delinquents made by the Mayor shall be prima facie evidence that said taxes set forth in said report as delinquent are delinquent.

Section 8. Lien against property. A lien shall exist on all property for the taxes assessed against said property from January 1st of the taxing year, said lien to be enforced by decree of the Chancery Court in said proceedings said lien to cover the costs, penalties, and attorney's fees as hereinafter provided.

Section 9. Penalty. There shall be added to all taxes not paid before the delinquent date a penalty of one-half percent (1/2%) and interest of one percent (1%) on the first day of each month.

In the event said taxes and interest have not been paid prior to the filing of the complaint for the enforcement of the tax lien as hereinbefore provided, there shall be added to each delinquent an additional ten percent (10%) as compensation for the attorney for the filing and prosecution of the suit to enforce said lien, and statutory court costs.

In the event any property shall be sold in any suit for the enforcement of said lien, said property may be redeemed by the owner or his heirs or devisees within two (2) years from the date of the sale upon payment to the purchaser at said sale the amount paid by said purchaser together with a percentage increase per annum as set forth by the state statute for redemption of property.

Section 10. Financial contracts. The Board of Mayor and Aldermen of said city shall have the power to make all necessary contracts connected with the financial affairs of said city, and to provide by proper resolution for temporary loans and bank overdrafts necessary to meet the financial needs of said city.

Section 11. Special taxes. The Board of Mayor and Aldermen shall have the right to levy a special tax for cemeteries, streets, parks, and public libraries and public-school purposes. Said Board of Mayor and Aldermen, by resolution of said Board, may make such arrangements with the Humboldt Cemetery Society as it may deem expedient for the expenditure of the special cemetery tax. The Board of Mayor and Aldermen of said city may also make such arrangements as it may deem expedient with any organization in said city having as its aim and purpose the civic improvement of said city, for the expenditure of special civic improvement taxes.

Section 12. Enforcement. The city may, by ordinance, make rules and regulations and impose penalties for the violation of the provisions of this Act and for the enforcement of the provisions hereof and for the collection of the tax herein levied.

Section 13. In lieu of tax, electric system. In the interpretation of this Act, the following definitions of terms shall apply:

(a) Electric System. The Electric System of the City of Humboldt, Tennessee, including all tangible and intangible property and resources of every kind and description used or held for use in the purchase, transmission, distribution and sale, but not the generation, of electric energy.

(b) Electric Operations. All activities associated with the establishment, development and administration of the Electric System, and the business of supplying electricity and associated services to the public, including without limitation, the generation, purchase and sale of electric energy and the purchase, use and consumption thereof by ultimate consumers.

(c) Net Plant Value. The depreciated original cost of the tangible property, as shown on the books of the Electric System including materials and supplies, used and held for use in the transmission and distribution of electric energy.

(d) Tax Equivalent. The amount transferred to the general fund of the City of Humboldt from the revenue of its Electric System as payments in lieu of taxes or other charges on the Electric System and electric operations.

(e) Fiscal Year. Twelve months beginning July 1 and ending June 30.

Section 14. Distribution of tax. Not later than thirty (30) days after a tax equivalent is transferred to the general fund of the city, the Board of Mayor and Aldermen shall distribute to the county in which the city's Electric System is located the following amount:

Ten percent (10%) of said tax equivalent.

After determining the respective shares, there shall be deducted from any county share, and not distributed, any taxes on other charges imposed in the fiscal year on the Electric System or electric operations by that county.

SECTION 2. All acts or parts thereof in conflict with the provisions of this Act are hereby repealed.

SECTION 3. The provisions of this Act are hereby declared to be severable. If any of its sections, provisions, exceptions, sentences, clauses, phrases or parts be held unconstitutional, invalid or void, the remainder of this Act shall continue in full force and effect, it being the legislative intent, now hereby expressed and declared, that this Act would have been adopted even if such unconstitutional, invalid or void matter had not been included therein.

SECTION 4. This Act shall have no effect unless it is approved by a two-thirds (2/3) vote of the Board of Mayor and Aldermen of the City of Humboldt at a regular or called meeting of the Board. Its approval or non-approval shall be certified by the Mayor and Secretary of the Board of Mayor and Aldermen to the Secretary of State.

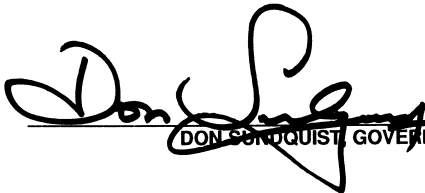
SECTION 5. For the purpose of approving this Act, it shall take effect on becoming a law, the public welfare requiring it, but for all other purposes, it shall become effective upon being approved as provided in Section 4.

PASSED: June 7, 2001


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 19th day of June 2001


DON SUNDQUIST, GOVERNOR